



Speech by

Hon. T. McGRADY

MEMBER FOR MOUNT ISA

Hansard 31 May 2000

MINISTERIAL STATEMENT
Cleaner Energy Strategy

Hon. T. McGRADY (Mount Isa—ALP) (Minister for Mines and Energy and Minister Assisting the Deputy Premier on Regional Development) (9.52 a.m.), by leave: The Cleaner Energy Strategy, which was announced last week by the Premier, marks a turning point for Queensland. The energy policy contains a framework—a structure—representing a fundamental shift in how we view our energy future. For the first time in this country there is a policy that is providing real directions and real solutions for issues that have to be addressed if we are to continue to generate long-term economic growth, attract new sustainable industries and meet our environmental obligations. The contribution to be made by renewable energy is formally recognised in this policy. The renewable energy sector will play an increasing part in Australia's future, and Queensland is leading the way with development of some major projects.

Some of the important initiatives contained in this policy include increased rebates for people who purchase energy efficient solar hot water systems. The rebate will be increased by 50% to a maximum of \$750 for Queenslanders who install these systems. The scheme will also be extended until the year 2005. The rebate means that solar hot water systems will become increasingly economic for householders to install them. It will also assist people to overcome the shocking impact of the GST, an extra tax which will be a disincentive for people trying to make a decision on these systems.

An election commitment of this Government was that we would purchase 2% of the electricity we use as green energy. That was achieved some time ago. It is now time to up the ante. From 1 July, the Government will lift its green energy purchases to 5% of total electricity purchases, making the Queensland Government the largest purchaser of green energy in Australia. This significant level of support helps to drive the practical, economic development of new renewable energy projects throughout our State.

The Government will also jointly support two major collaborative research projects with the Sugar Research Institute, the University of Queensland and the electricity industry. The new technology coming from these projects will allow the more efficient use of biomass to generate renewable energy. By utilising the waste materials from places such as sugarmills, there is a potential for large-scale production of renewable energy. This type of proposal could also provide a new economic basis for the sugar industry, breathing fresh life into the viability of sugarmills and providing more jobs in our regional areas.

The policy also recognises that waste gas emissions from coalmines represent a potential resource. If they are not properly managed, these waste gas emissions contribute to the greenhouse problem. If they can be successfully captured and utilised for electricity generation or other uses, there will be significant benefits. For example, there will be substantial greenhouse dividends and there will also be new employment opportunity, new skills and new income for the coalmines. Critically, the measure will assist the coal industry in reducing its exposure to the possible introduction of emission trading and hence maintain international competitiveness.

These are the types of initiatives contained in this policy. On a practical basis, I point to the very successful initiatives of the Government owned Stanwell Corporation, which even now is carving a very

successful place for itself in the brave new world of renewable energy production. Stanwell is developing the largest wind farms in Australia. It is already working with sugarmills to implement biomass technology. It is utilising solar thermal technology to provide extra efficiency at its coal-fired power station. The potential is unlimited. The Government's policy places us at the leading edge of this broad new horizon for renewable technologies. In the future, it will be our children and their children who will reap the benefits.
